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ABSTRACT

Access to affordable, quality child care is a major barrier to successful employment for many families. About one-fifth of families return to welfare within a few months of leaving, with lack of accessible child care and transportation being the most frequently cited reasons. These issues are likely to be compounded in the rural South. Information regarding early childhood options in the rural South and the nation is limited for several reasons: different funding streams and administrative structures separate different forms of early education and care; differences in licensing regulations between states; and lack of state supported, centralized data collection. A comparison of child care capacity and rural-urban distribution of child care slots in three southern states found that child care capacity in Florida and South Carolina was largely filled by center care in metro areas, while Arkansas showed a greater mix of child care arrangements. Relative to its child population, Florida had more licensed child care centers than any other state and a growing number of programs exempt from licensing. Yet in rural Florida counties, there was only one child care slot for every four children. Federal guidelines for welfare reform have done little to increase child care subsidies, while more stringent welfare limits at the state level suggest a high likelihood that poor children will not receive quality care in their early years. Poor rural children who have special needs, are migrants, or are infants or toddlers are at greatest risk. Policy recommendations are offered. (Contains 13 endnotes.) (SV)

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SOUTHERN RURAL DEVELOPMENT CENTER
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Information Brief

A Special Series on Welfare Reform in the South

Child Care Issues Impacting Welfare Reform in the Rural South

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America's experiment with welfare reform is difficult to assess at this point. Whereas the number of people receiving welfare after enactment of Temporary Assistance for Needy Families (TANF) has dropped significantly nationwide, there is little information regarding why caseloads are dropping and what is happening to families [4]. And even though the number of recipients may be declining, getting off welfare is not equal to getting out of poverty. Forty to 60 percent of those leaving welfare obtain employment but they average below poverty wages, and many of the cases are closed because of a failure to comply with program rules. Few states track families leaving welfare [2].

Access to affordable, quality child care remains a major barrier to successful employment for many families. Approximately one-fifth of families return to welfare within a few months of leaving. Lack of accessible child care and transportation are the most frequently cited reasons by TANF recipients for not being able to keep a job [4].

Access to affordable, quality child care remains a major barrier to successful employment for many families. Approximately one-fifth of families return to welfare within a few months of leaving. Lack of accessible child care and transportation are the most frequently cited reasons by TANF recipients for not being able to keep a job.

These issues are likely to be compounded in the rural South. Twenty-three percent of U.S. children living in poverty are in the South, a higher percentage than the Northeast or Midwest, and all but three states in the South are ranked in the lowest grouping of the most poverty-stricken states (more than 20 percent worse than any state median) [2]. With yearly child care costs easily reaching $4,000, child care subsidies must be a priority for welfare reform success.

Gaps in Early Childhood Information and Data

Information regarding early childhood options in the rural South and the nation is limited for several reasons. Different funding streams and administrative structures separate different forms of early education and care. Pre-kindergarten programs, subsidized child care programs, child care licensing, and Head Start are rarely administered by the same entity. Data are collected in different ways and stored in various formats prohibiting easy comparisons. County comparisons (enabling

rural and non-rural comparisons) are not prepared by every program structure in every state.

A second difficulty in collecting and comparing child care data occurs because of differences in licensing regulations between states. Little or no information is collected from sites operating outside licensure. Some Southern states license family child care and group homes; other states require registration only of family child care, not recognizing group homes; and some utilize a combination of licensing and registration. For example, Louisiana reports 10,000 licensed family child care providers. Florida, however, a state with a population approximately 3.5 times that of Louisiana, reports 4,002 licensed family child care providers [11]. Furthermore, variations in exemptions to licensing preclude realistic comparisons. Exempt programs may include religious-affiliated programs, public school programs, and park and recreation programs.

Another hindrance to data collection and comparison is the lack of state designation and adequate support of a centralized data collection entity for early education and care information. Although most states now have some type of child care resource and referral agency, state support and the data collection methods of resource and referral vary from state to state. Florida appears to be the only state that attempts to collect information on all early education and care settings. Without a centralized database of early education and care information, conclusions and comparisons are incomplete at best.

Commitment to Early Childhood Services

Based upon 1994 state action to secure direct child care and early education services (federal and state funds), the Children's Defense Fund created three categories (high, medium, and low) of commitment to child care and early education [1]. Commitment determination was based on state funds, federal funds that states had to match, and federal funds that could have been spent elsewhere but the state chose to allocate to early education and care. Based upon these categories and states' responses to requests for information, three states were selected to provide a snapshot of child care for TANF recipients in the Southern region.

Florida was ranked in the high commitment category (ranked No. 12 overall) by the Children's Defense Fund. Ranked in the medium commitment category was South Carolina (ranked No. 31 overall), and Arkansas was ranked in the lowest category (No. 44 overall). It is interesting to note that this order also is reflective of the metro/nonmetro distribution of counties per state. Approximately half of Florida's counties are nonmetro, and more than 85 percent in Arkansas, and 65 percent in South Carolina counties are nonmetro (see Figure 1).

Figure 1. **Distribution of Metro vs. Nonmetro Counties (in percent) for Three Southern States**

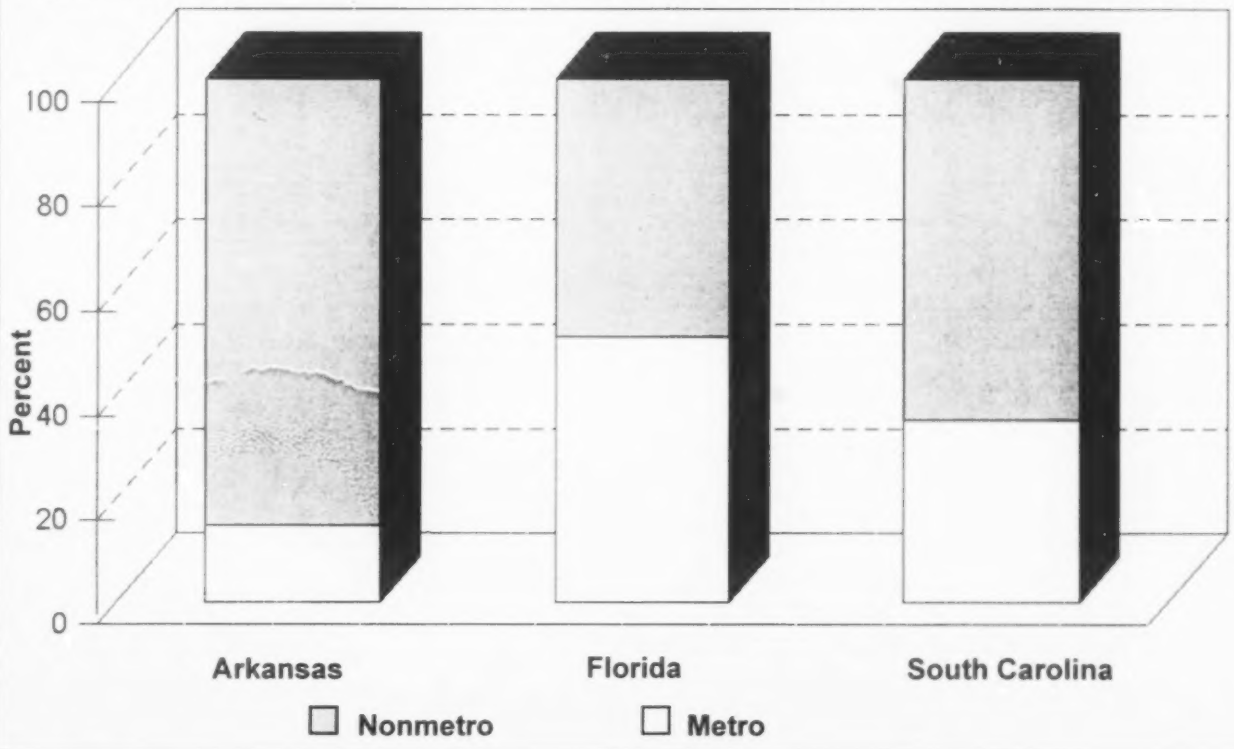


Table 1. **State Rankings of Key Indicators**

State	Ranking on Commitment to Early Education and Care	Children in Poverty*	Children in Extreme Poverty**	Children Under Age 6 Living with Working Parents
Alabama	39	31%	11%	65%
Arkansas	44	29%	9%	58%
Florida	12	21%	12%	63%
Georgia	23	25%	11%	67%
Kentucky	7	24%	13%	54%
Louisiana	46	28%	18%	64%
Mississippi	50	34%	17%	64%
North Carolina	10	21%	8%	72%
Oklahoma	8	19%	12%	64%
South Carolina	31	25%	13%	61%
Tennessee	30	27%	12%	65%
Texas	26	23%	10%	63%
Virginia	43	15%	6%	71%
National Average	**N/A**	**21%**	**9%**	**63%**

**income at or below 150% of poverty*
***income at or below 50% of poverty*
Information compiled from Children's Defense Fund (1998) and Annie E. Casey Foundation (1998).

Table 1 provides a ranking of all Southern states according to state and federal funding for child care and early education, levels of child poverty, and percentage of children living in households with working parents. In general, Southern states fall below national averages in these child well-being indicators.

Information also was collected regarding current child care capacity. In Florida, the Child Care Resource and Referral Service, affiliated with the Florida Children's Forum, collects and compiles child care data. State Departments of Licensing provided information for South Carolina and Arkansas. Based upon 1998 information, Florida's child care capacity is largely filled by center care in metro areas (see Figure 2). In South Carolina, similar results were found even though South Carolina has a much larger contingent of nonmetro counties (see Figure 2). Arkansas shows a greater mix of child care arrangements, particularly the availability of center-based and other child care arrangements.

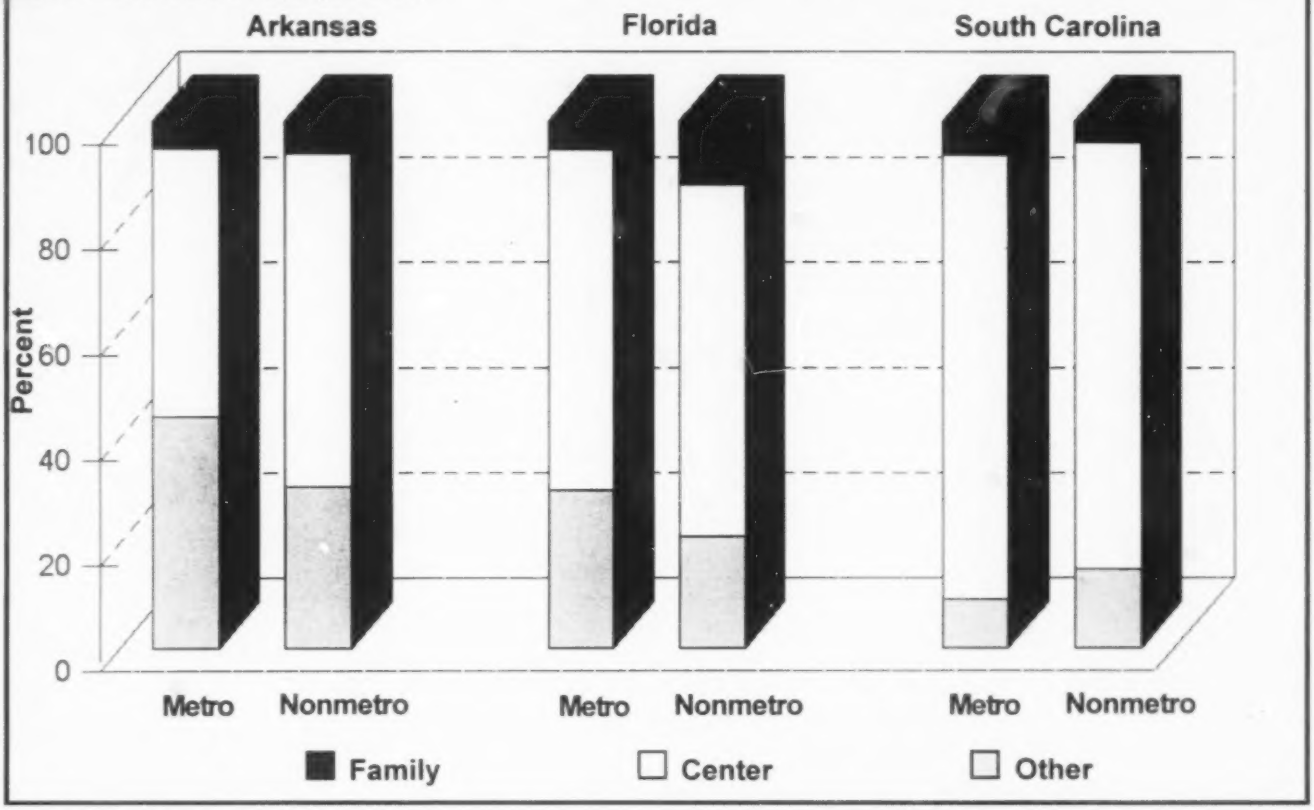
Table 2. **Total Number of Child Care Slots Available (Family, Center, and Other)**

	Metro	Nonmetro
Arkansas	50,724	53,197
Florida	724,790	60,921
South Carolina	102,165	33,245

With regard to the distribution of child care slots across the metro and nonmetro areas, the lion's share of child care capacity in Florida exists in metro areas (Table 2). Approximately 61,000 child care slots are located in nonmetro Florida, versus 725,000 in metro areas. Of the 135,410 slots in South Carolina, about 25 percent are in nonmetro areas. The pattern for Arkansas is quite distinct from these found in Florida and South Carolina. Of the 104,000 child care slots in Arkansas, more than 51 percent are located in nonmetro counties. The question of paramount importance that remains is this: "Are there enough child care slots available to meet current and future demands of nonmetro workers in these states, both TANF participants and nonparticipants?"

In the state of Florida (for which more detailed data is available), parents have the most difficult time finding infant, school-age, and non-traditional hours child care. In rural Florida counties, there is only one child care center slot for every four children. Relative to its population of children, Florida has more licensed child care centers than any other state and a growing number of programs that are statutorily exempt from licensure. Ten percent of Florida's child care centers utilize the religious exemption option and 60 percent of school-age programs are exempt from licensure [6].

Figure 2. **Child Care Capacity of Providers (Center, Family, and Other) for Three Southern States, Metro vs. Nonmetro (in percent)**



There is reason to suspect that South Carolina and Arkansas have similar or greater challenges. According to the General Accounting Office [8], most states will have difficulty meeting the needs for infant, school-age, and non-traditional hour child care as a result of welfare reform. Given the greater number of rural counties in both of these states, inability to meet demand may be greater. Certainly transportation will be an issue in rural areas because of the low probability of TANF recipients finding child care and work in close proximity to home.

Challenges

At the federal level, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, which created TANF, includes only modest increases in child care dollars and includes nothing to increase child care subsidies for low-income working families. Of great concern to child advocates is the possibility that states will forego concerns regarding quality of care in order to stretch available slots [3]. Children, high- and low-income alike, in poor early education and care settings, have been shown to have a reduced capacity for learning and are less likely to feel competent. Conversely, there are long-term benefits associated with high quality early education and care [7].

Even with these concerns regarding federal guidelines, many states, including the three Southern states examined here, have elected to enforce guidelines more stringent than those passed at the federal level. Arkansas, Florida, and South Carolina have varied lifetime limit requirements for TANF recipients. Despite a federal lifetime limit of five years, Arkansas limits lifetime benefits to 24 month, Florida to 48 months, and South Carolina to 60 months. Even though child care subsidies may extend beyond these limits for some families, the likelihood that children will not receive optimal quality child care and education throughout their early years is high. It has been estimated that the national cost of failing to provide at least two years of quality early childhood care and education to low-income children is close to $100,000 in foregone earnings and increased costs of crime and welfare [1]. The current guidelines increase the probability that all siblings in a family will not be afforded equal early care and education.

A further impediment to successful employment and appropriate child care is the lack of attention to transportation concerns. Zimmerman and Garkovich [13] note that public transportation in rural areas is rare, and being able to afford one's own transportation or finding reliable transportation from family and friends is difficult. Rural transportation issues jeopar-

dize opportunities for successful employment. South Carolina is the only state of the three that appears to be addressing transportation needs in their TANF benefits.

Further challenges are inherent in the work requirements. According to federal guidelines for work participation, 30 percent of TANF single parents must be working in 1998 and 50 percent in 2002. If married, 75 percent of TANF recipients must have at least one parent working in 1998 and 90 percent in 1999. In essence, a marriage penalty continues to exist.

Children, high- and low-income alike, in poor early education and care settings have been shown to have a reduced capacity for learning and are less likely to feel competent.

Even when subsidies are available, locating child care provides another challenge to TANF participants, particularly in rural areas. The metro/nonmetro distribution of child care capacity in centers, family child care, and other settings (e.g., group homes, exempt programs, and religious programs) does not fit the metro/nonmetro distribution of counties (see Figure 1 and Figure 2). It will be even more difficult to find optimal quality child care and education. TANF participants in rural areas with infants and toddlers are more likely to use less formal means of child care. Research has demonstrated repeatedly that child care sites that are not registered or licensed, that are monitored less frequently, and that are in states with less stringent licensing requirements are of lower quality than sites that must meet higher requirements [9, 10, 12]. Even in licensed sites, a recent national study found child care in most centers to be poor to mediocre with almost one-half of infants and toddlers in rooms having less than minimal quality [8].

Families with children with special needs are at an even greater disadvantage. A 1996 federal law made it more difficult for poor children with disabilities to quality for SSI. If funds were available for these families, child care slots would be difficult to find. In Florida, only 2.6 percent of private child care providers surveyed reported having children with special needs enrolled [5].

There is less information available regarding school-age care. Many forms of school-age care are exempt from licensing, and thus, standards vary tremendously. Many school-age children are unsupervised between the end of the school day and the end of their parents' workday. In Florida, 44 percent of all children whose mothers work do not have child care during non-school time. Given that the peak hours of violent juvenile crime are 3 p.m. to 8 p.m., the lack of provision for school-age care should be of urgent concern [6].

Conclusions

Children who are poor have special needs, are members of migrant families, or are infants or toddlers are particularly at risk for lack of appropriate child care and education in rural areas. State and federal investments in child care must carefully balance the needs for availability with the needs for quality enhancements. Decision-makers should be attuned to the special considerations of rural areas; in particular, transportation and child care technical support needs. Child care providers in rural areas may be isolated and lack access to training, materials, and equipment. Efforts to address these issues should be encouraged.

Programs attempting to address identified child care needs should be supported when effective. Head Start has successfully targeted funds for infant/toddler care. Reauthorization of these funds is warranted. Fruitful quality enhancement programs, such as child care training/education scholarships and child care accreditation support services, need further funding. Many before- and after-school programs in elementary and middle schools have demonstrated success. Model programs need to be funded and duplicated in other areas. Many school-age children are served in local park and recreation programs. The inclusion of these programs in local child care support networks could have positive consequences for children and families.

Resource and referral programs are needed throughout Southern states to assist families in locating appropriate care, to educate the public on optimal quality child care, to document the gaps in service availability and accessibility, and to assist in the identification of state early childhood priorities. In the state of Florida, child care resource and referral agencies provide invaluable data used by government, private organizations, and public agencies to coordinate efforts statewide.

In order to adequately address the true successes or failures of welfare reform, states must invest in mechanisms to track families long-term as they move from welfare to work. Simply reporting the number of participants working is not sufficient. The costs of poverty and inappropriate or low-quality child care and education for working families must not be ignored.

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